

MARKED-UP COPY

STATE OF ARKANSAS

**APPRAISER LICENSING AND CERTIFICATION BOARD
RULES AND REGULATIONS**

(EFFECTIVE ~~FEBRUARY 14, 2005~~)

JANUARY 1, 2007

Appraiser Licensing and Certification Board Regulations

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Section I - General (A) Creation, Purpose

- (1) The Arkansas Appraiser Licensing and Certification Board, (Board), was created by the action of the 78th General Assembly of the State of Arkansas during its regular session of 1991 with the passage of Act 541, "The Arkansas Appraiser Licensing and Certification Act 541" of 1991. (A.C.A. 17-14-201 as amended)
- (2) The Arkansas Appraiser Licensing and Certification Board's purpose in promulgating these regulations is to implement the provisions of Act 541 of 1991, The Arkansas Appraiser Licensing and Certification Act in a manner consistent with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Title 12, United States Code, Sections 93, et seq. The Board is authorized to promulgate such rules as may be necessary to insure compliance with FIRREA and other applicable federal law.
- (3) The Board shall hire a permanent staff to conduct the daily business of the Board. The specific duties of the permanent staff shall be determined by the Board. The staff shall consist in the first year of the biennium beginning July 1, 1991, of an Executive Director and one (1) Administrative Assistant. During the second year of the biennium one (1) additional permanent position of Investigator shall be created. Qualifications and salary levels for all permanent staff positions shall be determined by the Board and vacant staff positions will be filled following proper notice and advertising of the available positions with the State Employment Security Division and in accordance with all other State statutes regarding the hiring of public employees.
- (4) The Board shall hold regular meetings in accordance with Section 5 of Act 541 to consider and act upon applications for certification and licensure, complaints regarding licensees, and to transact other business as may come properly before it.
- (5) Requests for general information, applications for examination and for certificates or licenses, complaint forms or copies of regulations may be directed to the Arkansas Appraiser Licensing and Certification Board.

Section I - General (B) Definitions

The following words and terms, when used in these regulations, unless a different meaning is provided or is plainly required by the context, shall have the following meanings:

- (1) **"Act 541"**- The Arkansas Appraiser Licensing and Certification Act of 1991, as amended, and codified as A.C.A. 17-14-101 et seq..
- (2) **"BOARD"**- The Arkansas Appraiser Licensing and Certification Board created under Act 541 of 1991.
- (3) **"APPRAISER or REAL ESTATE FEE APPRAISER"** - Any person who, for a fee or valuable consideration, develops and communicates a real estate appraisal or otherwise gives an opinion of the value of real estate or any interest therein.
- (4) **"INDEPENDENT APPRAISAL ASSIGNMENT"** - Any engagement for which an appraiser is employed, or retained to act or to be perceived by third parties or the public as acting as a disinterested third party in rendering an unbiased analysis, opinion, or evaluation, or conclusions relating to the nature, quality, value, or utility or identified as real estate or real property.
- (5) **"STATE CERTIFIED APPRAISER"**- Any individual who has satisfied the requirements for State Certification in the State of Arkansas and who is qualified to perform appraisals of real property types of any monetary size and complexity. Within this category are included two (2) sub-classifications of certification;

(a) **"State Certified Residential Appraiser"** which applies to the appraisal of one-to-four residential units without regard to transaction value or complexity. (Note: This classification applies to the appraisal of one-to-four residential units without regard to transaction value or complexity based on the consensus of the Appraiser Qualifications Board of the Appraisal Foundation. The Federal Financial Institutions Regulatory Agencies as well as other agencies and regulatory bodies permit the Certified Residential classification to appraise properties other than those specified by the Appraiser Qualifications Board. All Certified Residential appraisers are bound by the Competency Provision of the Uniform Standards of Professional Appraisal Practice.)

(b) **"State Certified General Appraiser"** which applies to the appraisal of all types of real property. All Certified General real property appraisers are bound by the Competency provision of the Uniform Standards of Professional Appraisal Practice.

(6) **"STATE LICENSED APPRAISER"**- Any individual who has satisfied the requirements for State Licensing in the State of Arkansas and who is qualified to perform appraisals of real property types up to a monetary size and complexity as prescribed by the Appraisal Qualifications Board of the Appraisal Foundations. ~~Appraisal Subcommittee of the Federal Financial Institutions Examination Council and the Federal Financial Institutions Regulatory Agencies.~~ (Note: This classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than \$1,000,000 and complex one-to-four residential units having a transaction value less than \$250,000 based on the consensus of the Appraiser Qualifications Board of the Appraisal Foundation. The Federal Financial Institutions Regulatory Agencies as well as other agencies and regulatory bodies permit the licensed classification to appraise properties other than those specified by the Appraiser Qualifications Board. All Licensed appraisers are bound by the Competency Provision of the Uniform Standards of Professional Appraisal Practice.)

(7) **"STATE REGISTERED APPRAISER"** - Any person who has satisfied the requirements for registering as set forth in Section 17-14-307 of this chapter or requirements as may have been determined by the Board and who may perform appraisals on any type of property except when the purpose of the appraisal is for use in federally related transactions.

(8) **"COMPLEX 1-To-4 FAMILY RESIDENTIAL PROPERTY APPRAISAL"**- One in which the property to be appraised, the form of ownership, or market conditions are atypical.

(9) **"OPEN PUBLIC MEETINGS"**- All meetings, formal or informal, special or regular of the Arkansas Appraiser Licensing and Certification Board except those classified as "Executive Sessions" under Act 541, Section 12. (a), the Arkansas Appraiser Licensing and Certification Act and [Ark. Stat. 25-19-106, Paragraphs (c)(1), (c)(2)(A) & (c)(2)(B), and (c)(4)], the Freedom of Information Act.

(10) **"EXECUTIVE SESSIONS"**- Those meetings of the Arkansas Appraiser Licensing and Certification Board conducted for the purpose of disciplinary hearings, to determine whether to levy civil penalties under this Act, and/or for the purpose of determining whether to revoke or suspend any license or certificate issued pursuant to Act 541 of 1991, and additionally, those permitted under the Freedom of Information Act for the purpose of considering employment, appointment, promotion, disciplining, or resignation of any public officer or employee.

11) **"TRANSACTION VALUE"**- For the purposes of these regulations this means:

- (a) For loans or other extensions of credit, the amount of the loan or extension of credit;
- (b) For sales, leases, purchases, and investments in or exchanges of real property, the market value of the real property interest involved;
- (c) For the pooling of loans or interests in real property for resale or purchase, the amount of the loan or market value of the real property calculated with respect to each such loan or interest in real property;
- (d) For condemnation appraisals the value will be the total market value of the property before any acquisition of property occurs;

Section I - General (C) Board Compensation and Expense Reimbursement

Each member of the Arkansas Appraiser Licensing and Certification Board shall receive a per diem allowance of fifty dollars (~~\$50~~) (\$60) (or as amended by Legislative Act) as compensation for each meeting of the Board at which the member is present and for each day or substantial part thereof actually spent in the conduct of the business of the Board, plus all appropriate expenses as approved by the Board. Appropriate expenses are the reimbursable expenses a member of the Board necessarily incurs in the discharge of his/her official duties. Requests for compensation or reimbursement of appropriate expenses shall not be processed for payment unless sufficient funds are available for that purpose within the appropriations for this Board.

Section I - General (D) Action of the Board

Any adjudicatory or rule making action taken by the Board pursuant to Act 541 of 1991 or these regulations shall first be in compliance with the Administrative Procedure Act, A.C.A. 25-15-201 et seq., and may be performed by a number of the Board's members or by those officers, employees, agents or representatives of the Board as is permitted by law and authorized by a majority of the Board's membership. The Board may take action by a mail ballot or by a conference telephone call and any such action so taken shall be conducted in the presence of an administrative secretary and a record of such actions and meetings shall be recorded in the minutes of the Board. All meetings of the Board or subcommittees of the Board shall be open public meetings as defined herein except as provided herein for "Executive Sessions" in Section I General (B)(7).

The Executive Director, Administrative Assistant, and the Investigator are prohibited from engaging in any act for which a certificate or a license is required under the provisions of Act 541 or receive or become entitled to receive any fee or compensation of any kind in any capacity whatsoever, either directly or indirectly, in connection with any real estate appraisal transaction. Practicing appraiser members of the Board are excluded from this prohibition as are contracted investigators or other contracted experts who may be employed by the Board from time-to-time.

The Board may conduct disciplinary proceedings from time-to-time and may cause the actions of a registered, licensed or certified appraiser against whom a complaint has been filed to be investigated. For a complaint to be considered, the complainant shall file the complaint in writing at the permanent address of the Board, directed to the Arkansas Appraiser Licensing and Certification Board. The written complaint shall specifically state the issues of the complaint, and the date(s) on which the events causing or leading to the complaint occurred. The Executive Director, Chief Investigator, or authorized employee of the Board, upon receiving any such complaint shall present the complaint to a Board Committee or Panel to determine if the Board has jurisdiction to proceed.

The Board may initiate its own complaint when sufficient documents and information (i.e. appraisal reports, reviews and/or outlined deficiencies) are available on which to conclude that the Uniform Standards, the State law, and/or these Rules may have been violated.

If jurisdiction is established or the Board initiates its own complaint, the Executive Director, or board staff, shall notify in writing every person complained against, and provide that person an opportunity to respond in writing. A copy of the written complaint shall be furnished to the appraiser under investigation and a copy of the appraiser's response shall be furnished to the complainant. Appraisers failing to respond in writing within thirty (30) days of receipt of the complaint will be deemed unresponsive and the complaint will be further considered without the benefit of the appraiser's input.

The Executive Director, Chief Investigator, or authorized employee, may proceed at any time after jurisdiction has been established, to investigate said complaint and take statements from any person thought to have any knowledge of any facts pertaining thereto. The Board may request the registered, licensed, or certified appraiser under investigation to answer the charges made against him/her in writing and to produce relevant documentary evidence and may request him/her to appear before it.

Every properly filed complaint shall be presented to and reasonably disposed of by the Board. The Board may subpoena and issue subpoena duces tecum and bring before it any person in this State or licensed by the Board, and take testimony by deposition, in the same manner as prescribed by law in judicial proceedings in the courts of this State, or require production of any records relevant to any inquiry or hearing by the Board.

Records of ongoing disciplinary proceedings and investigations shall not be disseminated by the Board or its staff to the public unless a request has been made pursuant to the Arkansas Freedom of Information Act or unless otherwise required by law. Disciplinary hearings shall be conducted according to the Arkansas Administrative Procedures Act, A.C.A. Sec. 25-15-201 et seq.

Section I - General (E) Records of the Board

All public records of the Arkansas Appraiser Licensing and Certification Board shall be open for inspection and copying at the office of the Board by any member of the general public during normal business hours (8:00 a.m. to 4:30 p.m. Monday through Friday, except holidays) except for those records exempt under Act 541 of 1991 and under these regulations. All public meetings of the Arkansas Appraiser Licensing and Certification Board will be open to any member of the public.

The Executive Director of the Board shall be established as the custodian of the Records of the Board. The Executive Director shall be responsible for the maintenance of the Board's records and shall also be responsible for access to public records.

Individuals may inspect and copy public records pursuant to the procedures set forth in the Arkansas Freedom of Information Act, A.C.A. 25-19-101 et seq. and shall pay an appropriate fee or fees as shall be set by the Board.

Section I - General (F) Restrictions on Appraisal Practice/Services

A State Licensed Appraiser may perform appraisals of non-complex one (1) to four (4) residential units having a transaction value of less than \$1,000,000 or such other transaction value levels as shall be set by the Federal Financial Institutions Regulatory Agencies and of complex one (1) to four (4) residential units having a transaction value of less than \$250,000 or such other transaction value levels as shall be set by the Federal Financial Institutions Regulatory Agencies. In addition, a *State Licensed Appraiser* may perform appraisals of all other properties of a non-complex character with transaction values up to levels set by the Federal Financial Institutions Regulatory Agencies subject to the Competency Provisions of the Uniform Standards of Professional Appraisal Practice. *

A State Certified Residential Appraiser may perform appraisals of all properties that a State Licensed Appraiser may appraise and also all one (1) to four (4) residential units without regard to transaction value or complexity. All appraisals and/or appraisal services performed by a State Certified Residential Appraiser shall be subject to the Competency Provisions of the Uniform Standards of Professional Appraisal Practice. *

A State Certified General appraiser shall have no transaction value limits or complexity restrictions on his/her appraisal practice subject only to the Competency Provisions of the Uniform Standards of Professional Appraisal Practice.

* *State Licensed and Certified Residential appraisers performing appraisals on non-residential (i.e. commercial, farms, timberland, etc.) property types shall comply with the following limitations.*

- Federally Related Transactions: A state licensed/certified residential appraiser shall be limited to appraising a “transaction value” (loan value) of no more than \$250,000.
-
- Non-Federally Related Transactions: A state licensed/certified residential appraiser shall be limited to a
- “property value” of no more than \$250,000.

A **State Registered Appraiser** may perform appraisals on any type of property except (1) when the purpose of the appraisal is for use in federal related transactions or (2) The client requires a State Licensed or Certified Appraiser, and must include in all appraisal reports a statement that the appraisal may not be eligible for use in federally related transactions.

All appraisals and/or appraisal services performed by a state registered appraiser shall be subject to the competency provision of the Uniform Standards of Professional Appraisal Practice.

These restrictions shall not preclude any person who is *registered* from participating in the performance of appraisals or providing of appraisal services in federally related transactions provided that the participation is under the supervision of a State Licensed Appraiser, a State Certified Residential Appraiser or a State Certified General Appraiser. The intent of this provision is to allow persons to participate in the performance of appraisals or providing of appraisal services under the supervision of properly licensed or certified appraisers as registered appraisers, employees, apprentices, trainees, sub-contractors, co-signers, research assistants, or other capacities related to the production of appraisal reports or the delivery of appraisal services without being licensed or certified. All appraisal services rendered in federally related transactions must be performed or rendered by a person or persons holding the appropriate license or certificate. All written appraisal reports shall make a specific reference to any person(s) bear the signature(s) and seal(s) of all properly registered, licensed or certified person(s) who participated significantly in the performance of the appraisal or delivery of appraisal services. All Registered, Licensed or Certified appraisers signing an appraisal report or other document representing the delivery of appraisal services shall assume full joint and several responsibility and liability for the compliance of the appraisal performed or the appraisal service rendered with respect to compliance with the Uniform Standards of Professional Appraisal Practice.

Section I - General (G) Licensure and Certification

If upon passing the required appropriate examination, an applicant is found by the Board to be otherwise qualified, the Board shall issue to the applicant, a real estate appraiser license or a real estate appraiser certificate indicating residential or general status.

Section I - General (H) Denial of License or Certificate

An applicant denied a license or certificate shall be notified in writing by the Board of such denial and the reasons therefore. Such applicant may request an informal conference with the Board to reconsider such denial at its next scheduled meeting. Such requests must be sent to the board office within thirty (30) days of the date of the notice of denial.

Denial of a license or certificate is not an administrative adjudication as provided for under the Arkansas Administrative Procedures Act.

Section I - General (I) Appraiser Seal

Each registered, licensed and certified appraiser, at his/her own expense, shall secure, upon authorization by the Board, a seal, or rubber stamp, the form of which shall be approved by the Board.

In addition to the personal seal or rubber stamp, the licensee shall also affix his/her signature, at the minimum, to the signature page(s) of the original estimates, reports and other documents or instruments which were prepared by him /her or were prepared under his/her direction.

Section I - General (J) Form and Content

The Board shall issue to each registered, licensee or certificate holder a license or certificate as applicable, in a form as shall be prescribed by the Board. The license and/or certificate shall show the name of the registered, licensee or certificate holder and a license or certificate number assigned by the Board. Each license and/or certificate shall have

imprinted on it the state seal and in addition shall contain other matters as shall be prescribed by the Board.

Registrations, License and certificate documents, pocket cards and seals shall remain the property of the state and upon any suspension, revocation or a denial of a license or certificate, the individual holding the related license or certificate document and pocket card shall return them to the Board within ten (10) days of notification by the Board and shall cease to use seals or stamps immediately upon receipt of notice.

Section I - General (K) Individual Licenses, Certificates, Business Names, Pocket Cards

A registered, licensee or certificate holder shall not conduct his/her business under any other name or at any other address than the one for which his/her individual license or certificate is issued unless he/she first register the name(s) with the Board. If a registered, licensee or certificate holder changes his/her name or business address, he/she shall notify the Board in writing within thirty (30) days after the change becomes effective.

In addition to the individual license or certificate to be issued to each qualified individual, the Board shall furnish to each individual a pocket card, which shall certify that the person whose name appears on the pocket card is a state registered appraiser, state licensed appraiser, a state certified residential appraiser, or a state certified general appraiser, and indicate any current restrictions of that licensees practice. Each registered, licensee or certificate holder shall carry his/her pocket card upon his/her person at all times when conducting any real estate appraisal related activity and shall exhibit it upon demand.

Section I - General (L) Replacement License or Certificate

A registered, license or certificate holder may, by filing a written request and paying an appropriate fee to the Board, obtain a duplicate registration, license or certificate which has been lost, damaged or destroyed or if the name of the licensee or certificate holder has been lawfully changed.

Section I - General (M) ~~National~~ Federal Appraiser Registry

The Board shall submit to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council all names of individuals who are qualified as licensees or certificate holders in the state of Arkansas, both resident and non-resident, provided the individuals have paid to the Board the appropriate registry fee established for that purpose by the Appraisal Subcommittee or any other appropriate federal agency or instrumentality. If a non-resident appraiser is licensed or certified on a non-temporary basis in another state, and chooses to be licensed or certified in Arkansas on a non-temporary basis, the ~~federal~~ national registry fee shall be collected by the Arkansas Appraiser Licensing and Certification Board and submitted to the Appraisal Subcommittee. The national ~~federal~~ registry fee collected by the Arkansas Appraiser Licensing and Certification Board from non-resident appraisers shall be an additional national ~~federal~~ registry fee to that which is collected from the other state(s) where the appraiser may be licensed or certified on a non-temporary basis. An appraiser holding the classification of "State Registered" will not be assessed a ~~federal~~ national registry fee.

Section I - General (N) Educational Offerings and Approval

1. General Requirements For ~~All~~ Crediting Educational Offerings

The Board may recommend all course offerings for pre-licensure and pre-certification as well as for continuing education. The approval process shall apply to course content, facilities, text and other materials utilized in the offering and instructors. The Board may, at its sole discretion employ the services of an advisory education panel for the purpose of reviewing educational offerings for quality, content, and qualifications of instructors. No educational offering, course or program for pre-licensure or certification credit or for continuing education credit will be announced or advertised unless it is recommended by the Board for credit. The Board may recognize any educational offering recommended or approved by the Appraiser Qualification Board of the Appraisal Foundation.

In addition to educational offerings approved by the Board, the Board may accept education obtained in offerings held in another jurisdiction in which a course has been approved to meet the educational requirements for qualifying or continuing education of such other jurisdiction if that jurisdiction has adopted and enforces Standards for the education of real estate appraisers which is equivalent to those of the Board.

Time requirements for the purpose of all educational offerings shall provide that a classroom hour means sixty (60) minutes, at least fifty (50) minutes of which shall be devoted to actual classroom instruction and no more than ten (10) minutes of which shall be devoted to a non-instructional activity.

Credit toward the classroom hour requirement for all classes of licensing or certification may only be granted where the length of the educational offering is at least fifteen (15) hours and the individual successfully completes an examination pertinent to that educational offering. The examination requirement may be waived for seminars approved for continuing education. Each credit hour obtained from an approved college and/or university shall count as fifteen (15) classroom hours of education.

Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses.

Credit for the classroom hour requirement may be obtained from the following, provided they are recognized by the Board.

- (a) Colleges or Universities
- (b) Community, Junior or Technical Colleges
- (c) Real Estate Appraisal or Real Estate Related Organizations
- (d) State or Federal Agencies or Commissions
- (e) Proprietary/Private Career Schools
- (f) Other Providers approved by the State Appraiser Licensing and Certification Board
- (g) The Appraisal Foundation or its Boards*

Various educational offerings may be credited toward the classroom hour education requirements for the various classifications of licensing or certification established in these regulations. Educational offerings should focus on the topics listed below with emphasis on specific property types depending on the classification of licensure or certification for which the offering is being presented.

- | | |
|---|---|
| (a) Influences on Real Estate Value | (k) <u>Site Valueuation and Cost Approach</u> |
| (b) Legal Considerations in Appraisal | (l) Cost Approach |
| (c) Types of Value | <u>(l) (m) Income Approach</u> |
| (d) Economic Principles | - Gross Rent Multiplier analysis |
| (e) Real Estate Markets and Analysis | - Estimation of Income and Expenses |
| (f) Valuation Process | - Operating Expense Ratios |
| (g) Property Description | - Capitalization Methods |
| (h) <u>Market Analysis and</u> Highest and | <u>(m) (n) Valuation of Partial Interests</u> |
| Best Use Analysis | <u>(n) (o) Appraisal Standards and Ethics</u> |
| (i) <u>Appraisal Statisticals, Modeling, and Finance Concepts</u> | <u>(o) Report Writing and Case Studies</u> |
| (j) Sales Comparison Approach | <u>(p) Residential Applications</u> |

The Board recognizes that there may be other appraisal related topics that may be offered for continuing education that are beyond the scope of the list of topics cited above. Such educational offerings shall be recognized for continuing education credits at the discretion of the Board. All educational offerings for pre-licensure or certification shall focus on the general topics listed above with reasonable coverage of those subtopics as outlined in AQB's core curriculum guidenotes. (See addendum) only. The Board may, at its sole discretion, accept a course of instruction designed to fulfill the educational requirements for licensure or certification without the prior approval of the course.

The educational offerings taken to satisfy the qualifying education requirement must not be repetitive. USPAP courses taken in different years are not considered repetitive.

2. Pre-license and Pre-certification Educational Offering Approval Process

All pre-license and pre-certification educational offerings approved by the Board will be those determined by the Board to be of a quality level in which applicants can become licensed or certified and through which their completion will illustrate a participant's competence and provide a high level of public service and protection. All Pre-license and Pre-certification educational offerings offered in Arkansas will be reviewed by the Board or its designated advisory panel. Approval by the Board shall occur only after compliance with the following requirements has been established:

- (a) The pre-license and pre-certification educational offerings will be approved for credit only if the course content is consistent with AQB's core curriculum. (See addendum). ~~shall address some or all of the subjects set forth in Sections III, IV and V of these regulations.~~
- (b) Each educational offering shall be conducted and supervised by an instructor who shall be present in the classroom during times of creditable classroom instruction, unless such approved offering is provided in a non-conventional method. (i.e. Internet, CD-ROM, or other electronic means.)
- (c) All persons or entities requesting approval from the Board for a pre-licensure or pre-certification educational offering shall submit a completed form provided by the Appraiser Licensing Board and accompanied by supporting documents specified in the application. In addition to the application and supporting documents, each prospective provider may be required to submit the following items:
 - (i) A complete outline of the course offering and the curriculum showing all courses offered and the times allocated to each heading and subtopic ~~course.~~
 - (ii) A copy of the Final examination and the correct answers. No provider may provide a certificate of completion to a student who has not satisfactorily completed an appropriate in-class final examination.
- (d) Pre-license, Pre-certification, and continuing educational requirements may be satisfied through the completion of Board approved correspondence courses or other distance educational offerings.

*Distance education is defined as an educational offering process in which instruction does not take place in a traditional classroom setting but rather through other media (Non-conventional methods) in which teacher and student are separated by distance and sometimes by time and the course provides interaction.

Persons or entities seeking Board approval for a distance educational offering shall submit an outline and description of the entire course and provide documentation which demonstrates the course complies with the following criteria:

- i. That the educational offering is presented by an approved or accredited college, community or junior college or university that offers distance educational programs and credit in other disciplines; or
- ii. That the course has received approval for college credit by an accrediting agency recognized by the US Secretary of Education ~~the American Council on Education through its ACE/credit program;~~ or
- iii. That approval of the course design and delivery mechanism has been obtained from an AQB approved organization or an accredited college or university ~~received approval of the International Distance Education Certification Center (IDECC); and~~

- iv. That the course teaches to the mastery of the subject and at a minimum covers the following criteria.
 - A. Divides the material into major units as approved by the board;
 - B. Divides each of the major units of content into modules of instruction for delivery on a computer or other approved interactive audio or audio visual programs;
 - C. Divides the learning objectives for each module of instructions. The learning objectives must be comprehensive enough to insure that if all the objectives are met, the entire content of the course will be mastered;
 - D. Specify an objective, quantitative criterion for mastery used for each learning objective;
 - E. Provide a means of diagnostic assessment of each student's performance on an ongoing basis during each module of instruction;
 - F. Require the student to demonstrate mastery of all material covered by the learning objectives for the module before the module is completed;
 - G. That the course offering is designed in such a way that the material is presented under an approved instructor who shall be available to answer student questions or provide assistance on a timely basis as necessary;
 - H. The instructor will provide reasonable oversight of a student's work to ensure that the student who completes the work is the student who enrolled in the course;
- v. The course provider must provide documentation of an acceptable method that ensures that the student achieves the classroom hourly equivalent as approved by the Board;
- vi. The provider must submit satisfactory documentation that (1) the International Distance Education Certification Center (IDECC) *or is an AQB approved certification entity* has certified the course/seminar as meeting *acceptable* its distance education standards for course design and delivery mechanism. Any approvals based on such an IDECC certification will cease upon notice that *the* IDECC certification has been discontinued for any reason.
- vii. For distance education courses where an official cannot proctor classroom attendance, and an exam is required, such an examination shall be proctored by an individual approved pursuant to (e) and (f) below;
- viii. And such other information as the Board may require..
- ix. Students are to certify that they have personally completed each assigned module of instruction.

(e) Examination Proctors Qualifications

- i. The person shall not be related to the student by blood or marriage and may not be engaged in any association (personal or business) with the student.
- ii. The proctor may be selected from the following professions:
 - a. A university, college or community college professor or instructor.
 - b. A public and private school professional (superintendent, principal, guidance counselor, librarian, etc.)
 - c. An AQB certified instructor or an approved professional association's instructor.*
- iii. Proctor(s) shall be approved, in advance, by the Arkansas Appraiser Licensing and Certification Board.

(f). Examination Proctor Duties

- i. Be satisfied that the person taking the examination is the person registered for the course. This should be verified with a picture ID and another identification document (driver's license, student ID card, etc.).
- ii. Be in the room while the student is taking the exam or within line of sight of the student. Assure that the student does all the work him/herself without aids of any kind including books, notes, conversation with others or any other external resource. If the exam calls for mathematical calculations, a non-programmable hand-held calculator may be used.
- iii. The proctor shall see that the student adheres to the time limit requirement specified for the examination. The examination must be completed in one sitting. If the examination is interrupted for any reason, the examination can be re-started only by notifying the Arkansas Appraiser Licensing Board that the examination was interrupted, the reason for the interruption and the ALCB, or its designee, must approve the request to resume.
- iv. Upon completion of the examination, the proctor shall submit a certificate indicating the verification of the identity of the student, that the examination was completed on the date assigned during the time permitted and that the student has done all the work him/herself without aids of any kind including books, notes, conversation with others or any other external resource while taking the examination, including access to Internet search engines or web pages other than that displaying the examination.

- (g) Approval by the Board is initially granted for a period of two years provided no substantive changes in course content is made and approval may be extended for another two years on written request by the provider. Failure to timely request an extension will result in automatic termination of the educational offerings approval status.
- (h) The Board may at its discretion adopt and implement various procedures for the auditing of any offerings that have been accepted for qualifying and continuing education approval by this agency.

3. Educational Provider Approval for Co-Sponsorship

An educational provider whose appraisal specific courses or seminars as well as instructors which have been pre-approved by the Arkansas Appraiser Licensing and Certification Board for credit toward meeting Qualifying Education or Continuing Education may petition the Board's co-sponsorship of such in-state offerings. This endorsement by the Board may permit the educational provider to conduct the co-sponsored program under the oversight of the Appraiser Licensing Board in lieu of the Board of Private Career Education.

In order for a course or seminar to be co-sponsored by the Board, the provider must:

- (1) Award completion certificates to all students meeting the course criteria;
- (2) Retain all course outlines and records of attendance for at least three years;
- (3) Adopt and provide to the Board a copy of an administrative policy regarding student attendance and attendance records;

- (4) Adopt and provide to the Board a copy of an administrative policy regarding refunds and cancellations of a scheduled offering by the provider.

The failure to comply with any of the foregoing provisions or stated policies may result in the Board's refusal to co-sponsor future courses or seminars offered by the educational provider.

4. Education Filings Prior to January 1, 2008

In Addition to the firm date of January 1, 2008 for implementing the revised and expanded qualifying education criteria, the AQB has made available an option for potential applicants who meet the current (less restrictive) education requirements before December 31, 2007 may by affidavit document that fact and complete the experience and exam requirements after January 1, 2008.

Appraisers who, by affidavit, on or before December 31, 2007 have met the pre January 1, 2008 education criteria will have until June 30, 2010 to obtain a license or certification. Subsequent to that date all non-licensed applicants having previously documented education under AQB's option will be required to meet the current education criteria.

Section I - General (O) Uniform Standards of Professional Appraisal Practice

The Arkansas Appraiser Licensing and Certification Board adopts by reference the "Uniform Standards of Professional Appraisal Practice" (USPAP) as published and amended by the Appraisal Foundation from time to time. This adoption by reference shall include all parts of the USPAP including the introductory sections for the purpose of judging those applicants, registrant, licensees and certificate holders with respect to the appropriateness of their conduct and activities as appraisers in the State of Arkansas.

Section I - General (P) Grounds for Disciplinary Action

The Board may, upon its own motion or upon written complaint of any person, and after notice and hearing as prescribed by the Administrative Procedures Act, suspend or revoke the registration, license or certification of any registered, licensee or certificate holder and/or issue a fine up to the amount of \$1,000 per violation occurrence for:

1. Violation of any provision of the Arkansas Appraiser Licensing and Certification Act 541 of 1991 as amended or any of these regulations;
2. Falsifying any application for licensure or certification or otherwise providing any false information to the Board;
3. Conviction in any jurisdiction of any misdemeanor involving moral turpitude or of any felony. A plea of nolo contendere or no contest shall be considered a conviction for the purposes of this section.
4. Any actions demonstrating un-trustworthiness, incompetence, dishonesty, gross negligence, material misrepresentation, fraud or unethical conduct in any dealings subject to the Act or these regulations;
5. Adjudication of insanity;
6. Use of advertising or solicitation which is false, misleading, or is otherwise deemed unprofessional by the Board;
7. Employing directly or indirectly any unregistered or unlicensed person to perform any actions subject to the Act or these regulations;
8. Habitual or excessive use of intoxicants or illegal drugs;

9. Failure to meet continuing education requirements within the proper time period.

Section I – General (Q) Complaint Adjudication and Publication of Action

- A. Any appraiser who fails to timely renew their registration, license, certification or elects to surrender their license/certification while a complaint is pending, will be unable to have their license re-instated until the complaint has been resolved. If a disciplinary hearing or informal conference is pending at the time of surrender, the scheduled hearings will proceed with or without the appraiser's participation and any disciplinary action resulting from the hearing shall be placed in the appraiser's file and addressed prior to any reinstatement of their credentials. Appraisers who have their license suspended or revoked are prohibited from performing any and all duties and responsibilities (researching data, and/or assisting associates with the development and reporting of real property appraisals).
- B. In those instances where this Board suspends or revokes a license or certification is surrendered during an investigation or while formal charges are pending, notice of such action shall be published in the Board's newsletter, the Arkansas Bankers Association and the Mortgage Bankers Association of Arkansas periodicals, and any other appropriate publications which will communicate such actions taken against an appraiser's license.

Section I General (R) Declaratory Orders

- A. A declaratory order is a means of resolving a controversy or answering questions or doubts concerning the applicability of statutory provisions, rules, or orders over which the agency has authority. A petition for declaratory order may be used only to resolve questions or doubts as to how the statutes, rules, or orders may apply to the petitioner's particular circumstances. A declaratory order is not the appropriate means for determining the conduct of another person or for obtaining a policy statement of general applicability from an agency. A petition or declaratory order must describe the potential impact of statutes, rules, or orders upon the petitioner's interests.
- B. The process to obtain a declaratory order is begun by filing with the Arkansas Appraiser Licensing & Certification Board a petition that provides the following information:
1. The caption shall read: Petition for Declaratory Order Before the Arkansas Appraiser Licensing and Certification Board.
 2. The name, address, telephone number, and facsimile number of the petitioner.
 3. The name, address, telephone number, and facsimile number of the attorney of the petitioner.
 4. The statutory provision(s) agency rule(s), or agency order(s) on which the declaratory order is sought.
 5. A description of how the statutes, rules, or orders may substantially affect the petitioner and the petitioner's particular set of circumstances, and the questions or issue on which petitioner seeks a declaratory order.
 6. The signature of the petitioner or petitioner's attorney.
 7. The date.
 8. Request for a hearing, if desired.
- C. The agency may hold a hearing to consider a petition for declaratory statement. If a hearing is held, it shall be conducted in accordance with A.C.A. {25-15-208 and }25-15-213, and the agency's rules for adjudicatory hearings.
- D. The agency may rely on the statements of fact set out in the petition without taking any position with regard to the validity of the facts. Within ninety (90) days of the filing of the petition, the agency will render a final order denying the petition or issuing a declaratory order.

Section II - General Qualifications for Registration, Licensure or Certification

The Board shall approve and issue registrations, licenses and certificates to qualified applicants or disapprove applications for registration, licensing and certification for applicants who do not meet the minimum requirements for registering, licensing or certification as prescribed in Act 541. The best interest of the public shall be given due regard when considering each applicant for registration, licensing or certification.

Every applicant to the Arkansas Appraiser Licensing and Certification Board as a State Registered appraiser, State Licensed appraiser or State Certified appraiser shall have the following qualifications:

- A. The applicant shall have a good reputation for honesty, truthfulness, and fair dealing, and be competent to transact the business of a registered, licensed or certified appraiser in such a manner as to safeguard the interests of the public.
- B. The applicant shall meet the current educational and experience requirements for licensing or certification prior to the time he or she applies to sit for the licensing or certification exam.
- C. A non-resident applicant shall be in good standing as an appraiser in every jurisdiction where licensed; the applicant shall not have had a license which was suspended, revoked, or surrendered in connection with a disciplinary action or which has been the subject of discipline in any jurisdiction prior to applying for licensure or certification in Arkansas.
- D. The applicant shall not have been convicted, found guilty or pled guilty, regardless of adjudication, in any jurisdiction of a misdemeanor involving moral turpitude or of any felony. Any plea of nolo contendere shall be considered a conviction for the purposes of this paragraph. The record of a conviction authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted shall be admissible as prima facie evidence of such conviction.
- E. The applicant shall be at least 18 years old and shall have received a high school diploma or its equivalent.
- F. Applicants who do not meet all of the foregoing requirements and qualifications may nevertheless be approved for registration, licensure or certification by resolution of the Board.
- G. All applications for registration, licensing, certification, renewal, examination, or reinstatement shall be made on forms provided by the Board and completed and signed by the applicant, with the signature acknowledged before a notary public. All applications shall include the appropriate fees. The Board will not consider an application which is incomplete or with which the correct fees have not been submitted.
- H. The Board may require each applicant for a license to furnish, at his/her expense, a recent passport -type photograph of him/herself, as well as any other information or form of identification deemed necessary by the Board to determine the applicant's qualifications for licensing or certification.
- I. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation, the application of any applicant before issuing a license or certificate.

Section III - Pre-Licensure Qualifications for State Licensed Appraiser

An applicant for a license as a State Licensed Appraiser shall meet the following requirements in addition to those set forth in Section II of these regulations:

A. Examination

1. Applicants for State License shall be personally interviewed by representatives of the Appraiser Licensing Board prior to sitting for the exam.

Applicants having been cleared to take the exam may, because of in-state offering dates and locations, elect to schedule the examination in another state, subject to approval of the Arkansas Board.

2. Successful completion of the Appraiser Qualifications Board endorsed Uniform State Licensing Examination or its equivalent.
3. The applicant, within twelve months prior to the awarding of a license for a licensed real estate appraiser, shall have passed a written examination provided by the Board or by a testing service acting on behalf of the Board. The examination shall at all times be an Appraisal Foundation - Appraiser Qualifications Board endorsed Uniform State Licensing Examination or its equivalent. Applications reflecting satisfaction of all prerequisites must be received by the Board no less than 60 days prior to the date of the examination.
4. An applicant for State License who fails to pass the exam after two (2) *or more* attempts will not be afforded an opportunity to retake the exam for at least six (6) months from date of last exam.
~~In the event an applicant fails to pass the exam on the third or subsequent attempts, they will not be allowed to retake the exam for at least six months.~~ Applicants seeking to sit for the fourth attempt are required to submit a new application, appropriate fees, along with additional work experience logs and any additional education they may have acquired, and that six months shall lapse between exams.

B. Appraisal Education (Prerequisite to sit for the examination)

1. The applicant shall have successfully completed *and submitted to the Board prior to December 31, 2007 Ninety (90) classroom hours and after January 1, 2008 one hundred fifty (150)* ~~ninety (90)~~ classroom hours of courses in subjects related to real estate appraisal which shall include coverage of the *15 hour National Uniform Standards of Professional Appraisal Practice course of not less than fifteen (15) hours or an AQB equivalent course taught by an AQB certified instructor* within the previous two years prior to initially sitting for the exam. State Registered appraisers who have satisfied the Board's initial requirement of completing the 15 hour National USPAP course need only to document* completion of the 7 hour USPAP *Update* course within the two years preceding their sitting for the exam.
 - (a) ~~A classroom hour is defined as fifty minutes out of each sixty minute segment.~~
 - (b) ~~Credit toward the classroom hour requirement may only be granted where the length of the educational offering is at least fifteen hours, and the individual successfully completes an examination pertinent to that educational offering.~~
 - (c) ~~Credit for the classroom hour requirement may be obtained from the following, provided they are recognized by the Board.~~
 - (1) Colleges or Universities
 - ~~(2) Community, Junior or Technical Colleges~~
 - ~~(3) Real Estate Appraisal or Real Estate Related Organizations~~
 - ~~(4) State or Federal Agencies or Commissions~~
 - ~~(5) Proprietary Schools~~
 - ~~(6) Other providers approved by the State Appraiser Licensing and Certification Board~~
 - ~~(7) The Appraisal Foundation or its Boards~~
 - (d) ~~Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses.~~
 - (a) (e) There is no time limit regarding when qualifying education credit must have been obtained except as noted in Section III B-1.

- (f) ~~The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted by the course provider prior to July 1, 1990, and provided further that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.~~

~~(g)~~ *Qualifying education hours will only be credited for pre-approved course offerings whose content follows the AQB required core curriculum as set forth in these rules by addendum for each respective credential.* Various appraisal courses may be credited toward the ninety classroom hour education requirement. Applicants may be required to demonstrate that their education involved coverage of all topics listed *in Section I(N)(1) below* with particular emphasis on the appraisal of one (1) to four (4) unit residential properties.

(i) Influences on Real Estate Value	(x) Residential Sales Comparison and Income Approach
(ii) Legal Considerations in Appraisal	(xi) Residential Site Value and Cost Approach
(iii) Types of Value	(xii) Cost Approach
(iv) Economic Principles	(xiii) Income Approach
(v) Real Estate Markets and Analysis	Gross Rent Multiplier Analysis
(vi) Valuation Process Procedures	Estimation of Income and Expenses
(vii) Property Description	Operating Expense Ratios
(viii) Highest and Best Use Analysis	(xiv)(xii) Valuation of Partial Interests
(viii) Residential Market Analysis and Highest and Best Use	(xiii) Appraisal Standards and Ethics
(ix) Appraisal Statistical Concepts	(xiv) Residential Report Writing and Case Studies
Residential Applications	(xv) Appraisal Standards and Ethics

C. Experience (Prerequisite to sit for the examination)

1. The applicant for State Licensing shall demonstrate the equivalent of at least (as a minimum) two thousand (2000) hours of appraisal experience, *obtained in no less than twelve (12) months*, of a nature that is satisfactory to the Arkansas Appraiser Licensing and Certification Board. The experience of the applicant must be of a type and nature sufficient to convince the Board of a demonstrated and proven capability of the applicant to adequately perform assignments of a type permitted by licensure. The initial verification for experience credit claimed by an applicant shall be on forms prescribed by the Board. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation of the amount of experience claimed on the application of any applicant.
2. Acceptable experience may include a limited number hours related to necessary and fundamental tasks, such as records research, measurements and certain aspects of property inspections. But to be satisfactory, the experience of the applicant must clearly demonstrate a progression in exposure, charge, responsibility and successful performance of those comprehensive tasks related to real property appraisal practice, to include, but not limited to appraisal development and reporting, and should involve all aspects of the valuation process.
3. The burden of proving the amount and validity of experience claimed is entirely the responsibility of the applicant. As a minimum, the applicant must be prepared to substantiate, on request by the Board, the experience claimed with a true copy of appraisal assignment reports, work files to support the nature or the experience claims, and true copies of time records or calendars which support actual work time associated with the assignments.
4. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal experience which includes, but is not limited to, the following:
 - (a) Fee and staff appraisal
 - (b) Ad valorem tax appraisal
 - (c) Technical Review appraisal
 - (d) Appraisal analysis
 - (e) Real estate counseling
 - (f) Highest and best use analysis
 - (g) Feasibility analysis/study
 - (h) Condemnation Appraisal

5. Credit for experience will only be granted for the execution of USPAP compliant assignments after January 30, 1989 in any of the various areas which required the use of the appraisal process. This applies to appraisals as well as other areas of acceptable experience.

~~6. Ad valorem tax appraisers/appraisals may be awarded experience credit as evidenced by a timed log of specific appraisal tasks performed and by demonstrating in advance of taking the exam, that he or she has effectively used similar appraisal process techniques as do other appraisers to value properties.~~

~~(6)~~7. Appraisal Reviews may be awarded experience credit when the appraiser performs technical review(s) of appraisals prepared by either employees, associates or others, provided the appraisal report was not signed by the review appraiser. Appraisal review credit should only be awarded when reviews are in compliance with USPAP Standard 3.

7. Appraisals made without the benefit of a client or under the guidance of Board approved practicum based courses shall not constitute more than 25% of the total required hours of experience.

Credit toward the licensing prerequisite may be awarded for hours of residential appraisal experience for other types of real property. The Board will on an individual basis, determine the amount of credit to be awarded for such appraisals based on the information provided by the applicant.

Section IV - Pre-Certification Qualifications for State Certified Residential Appraiser

An applicant for certification as a State Certified Residential Appraiser shall meet the following requirements in addition to those set forth in Section II of these regulations:

A. Examination

1. Applicants for State Certified Residential shall be personally interviewed by representatives of the Arkansas Appraiser Licensing Board prior to sitting for the exam.

Applicants having been cleared to take the exam may, because of in-state offering dates and locations, elect to schedule the examination in another state, subject to approval of the Arkansas Board.

2. Successful completion of the Appraiser Qualifications Board endorsed Uniform State Licensing Examination or its equivalent.

3. The applicant, within twelve months prior to the awarding of a certification for a State certified residential appraiser, shall have passed a written examination provided by the Board or by a testing service acting on behalf of the Board. The examination shall at all times be an Appraisal Foundation - Appraiser Qualifications Board endorsed Uniform State Licensing/Certification Examination or its equivalent. Applications reflecting satisfaction of all prerequisites must be received by the Board no less than 60 days prior to the date of the examination.

4. An applicant for State Certified Residential who fails to pass the exam after two (2) or more attempts will not be afforded an opportunity to retake the exam for at least six (6) months from date of last exam.

~~In the event an applicant fails to pass the exam on the third or subsequent attempts, they will not be allowed to retake the exam for at least six months. Applicants seeking to sit for the fourth attempt are required to submit a new application along with appropriate fees, additional work experience and any additional education they may have acquired. and that six months shall lapse between exams.~~

B. Appraisal Education (Prerequisite to sit for the examination)

1. The applicant shall have successfully completed ,and submitted to the Board, prior to December 31, 2007 one hundred twenty (120) classroom hours or after January 1, 2008 two hundred (200) classroom hours of courses in subjects related to real estate appraisal which shall include coverage of the 15 hour National Uniform Standards of Professional Appraisal Practice course or its AOB equivalent taught by an AOB certified instructor. Applicants who have completed the 15 hour National USPAP course need only to document completion of the 7 hr. National USPAP Update within the two (2) years preceding their sitting for the exam. of not less than fifteen hours within the previous two years prior to one's initial sitting for the exam. In addition, the applicant must hold an associate or higher degree from an accredited college, junior college, community college, or university or have successfully passed collegiate subject matter totaling 21 credit hours from the following courses.

- English Composition;
- Principles of Economics, (Micro or Macro);
- Finance
- Algebra, geometry, or higher mathematics
- Statistics
- Introduction to Computers, word processing/Spreadsheets and Business Law
- Business or real estate law

~~(a) A classroom hour is defined as fifty minutes out of each sixty minute segment.~~

~~(b) Credit toward the classroom requirement may only be granted where the length of the educational offering is at least fifteen hours, and the individual successfully completes an examination pertinent to that educational offering.~~

~~(c) Credit for the classroom hour requirement may be obtained from the following, provided they are recognized by the Board.~~

- | | |
|---|--|
| (i) Colleges or Universities | (iv) State or Federal Agencies or Commissions |
| (ii) Community, Junior or Technical Colleges | (v) Proprietary Schools |
| (iii) Real Estate Appraisal or Real Estate Related Organizations | (vi) Other <u>Providers</u> approved by the Board |
| | (vii) <u>The Appraisal Foundation or its Boards</u> |

~~(d) Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses.~~

~~(a)(e) There is no time limit regarding when qualifying education credit must have been obtained except as noted in Section IV (B)-(1).~~

~~(f) The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted by the course provider prior to July 1, 1990, and provided further that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.~~

(b)(g) Qualifying education hours will only be credited for pre-approved course offerings whose content follows the AOB required core curriculum as set forth in these rules by addendum for each respective credential. Various appraisal courses may be credited toward the one hundred twenty (120) classroom hour education requirement. Applicants may be required to demonstrate that their education involved coverage of all topics listed in Section I(N)(1) below with particular emphasis on the appraisal of one (1) to four (4) unit residential properties;

(i) Influences on Real Estate Value	(x) <u>Residential Sales Comparison and Income Approach</u>
(ii) Legal Considerations in Appraisal	(xi) <u>Residential Site Value and Cost Approach</u>
(iii) Types of Value	(xii) Cost Approach
(iv) Economic Principles	(xiii) Income Approach
(v) Real Estate Markets and Analysis	Gross Rent Multiplier Analysis
(vi) Valuation Process <u>Procedures</u>	Estimation of Income and Expenses
(vii) Property Description	Operating Expense Ratios
(viii) Highest and Best Use <u>Residential Market Analysis and Highest and Best use Analysis</u>	(xii) Valuation of Partial Interests
(ix) Appraisal Statistical Concepts	(xii) Appraisal Standards and Ethics
<u>Residential Applications</u>	(xiv) <u>Residential Report Writing and Case Studies</u>

C. Experience (Prerequisite to sit for the examination)

1. The applicant for certification as a State Certified Residential Appraiser shall demonstrate the equivalent of at least (as a minimum) two thousand five hundred (2500) hours of appraisal experience of a nature that is satisfactory to the Arkansas Appraiser Licensing and Certification Board and obtained during no fewer than 24 months. The experience of the applicant must be of a type and nature sufficient to convince the Board of a demonstrated and proven capability of the applicant to adequately perform assignments of a type permitted by licensure. The initial verification for experience credit claimed by an applicant shall be on forms prescribed by the Board. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation of the amount of experience claimed, the application of any applicant.
2. Acceptable experience may include a limited number of hours related to necessary and fundamental tasks, such as records research, measurements and certain aspects of property inspections. But to be satisfactory, the experience of the applicant must clearly demonstrate a progression in exposure, charge, responsibility and successful performance of those comprehensive tasks related to real property appraisal practice, to include, but not limited to appraisal development and reporting, and should involve all aspects of the valuation process.
3. The burden of proving the amount and validity of experience claimed is entirely the responsibility of the applicant. As a minimum, the applicant must be prepared to substantiate, on request by the Board, the experience claimed with a true copy of appraisal assignment reports, work files to support the nature or the experience claims, and true copies of time records or calendars which support actual work time associated with the assignments.
4. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal experience which includes, but is not limited to, the following:

(a) Fee and staff appraisal	(e) Real estate counseling
(b) Ad valorem tax appraisal	(f) Highest and best use analysis
(c) Technical Review appraisal	(g) Feasibility analysis/study
(d) Appraisal analysis	(h) Condemnation appraisal
5. Credit for experience will only be granted for the execution of USPAP compliant assignments after January 30, 1989 in any of the various areas which require the use of the appraisal process. This applies to appraisals as well as other areas of acceptable experience.
6. ~~Ad valorem tax appraisers/appraisals may be awarded experience credit as evidenced by a timed log of specific appraisal tasks performed and by demonstrating, in advance of taking the exam that he or she has effectively used similar appraisal process techniques as do other appraisers to value properties.~~

~~6-7~~ Appraisal Reviews may be awarded experience credit when the appraiser performs technical review(s) of appraisals prepared by either employees, associates or others, provided the appraisal report was not signed by the review appraiser. Appraisal Review credit should only be awarded when reviews are in compliance with USPAP Standard 3.

7. Appraisals made without the benefit of a client or under the guidance of Board approved practicum based courses shall not constitute more than 25% of the total required hours of experience.

Credit toward the certification prerequisite may be awarded for hours of residential appraisal experience for other types of real property not listed. The Board will on an individual basis, determine the amount of credit to be awarded for such appraisals based on the information provided by the applicant.

Section V - Pre-Certification Qualifications for State Certified General Appraiser

An applicant for a certification as a State Certified General Appraiser shall meet the following requirements in addition to those set forth in Section II of these regulations:

A. Examination

1. Applicant for State Certified General Appraiser shall be personally interviewed by representatives members of the Arkansas Appraiser Licensing Board prior to sitting for the exam.

Applicants having been cleared to take the exam may, because of in-state offering dates and locations, elect to schedule the examination in another state, subject to approval of the Arkansas Board.
2. Successful completion of the Appraiser Qualifications Board endorsed Uniform State Certification Examination or its equivalent.
3. The applicant, within twelve months prior to the awarding of a certification for a State certified general real property appraiser, shall have passed a written examination provided by the Board or by a testing service acting on behalf of the Board. The examination shall at all times be an Appraisal Foundation - Appraiser Qualifications Board endorsed Uniform State Certification Examination or its equivalent. Applications reflecting satisfaction of all prerequisites must be received by the Board no less than 60 days prior to the date of the examination.
4. An applicant for State Certified General who fails to pass the exam after two (2) or more attempts will not be afforded an opportunity to retake the exam for at least six (6) months from date of last exam. ~~In the event an applicant fails to pass the exam on the third or subsequent attempts, they will not be allowed to retake the exam for at least six months.~~ Applicants seeking to sit for the fourth attempt are required to submit a new application along with appropriate fees, additional work experience and any additional education they may have acquired. ~~and that six months shall lapse between exams~~

B. Appraisal Education (Prerequisite to sit for the examination)

1. The applicant shall have successfully completed and submitted to the Board prior to December 31, 2007 one hundred eighty (180) classroom hours or after January 1, 2008 three hundred (300) classroom hours of courses in subjects related to real estate appraisal which shall include coverage of the 15 hour National Uniform Standards of Professional Appraisal Practice or its AQB equivalent course and taught by an AQB certified instructor and which may include the ~~ninety (90)~~ one hundred fifty (150) classroom hour requirement for the State Licensed real property appraiser classification and/or the ~~one hundred twenty (120)~~ two hundred (200) classroom hour requirement for the Certified Residential real property appraiser classification. ~~Subsequent to December 31, 1993, the classroom hour requirement for the Certified Residential real property classification may be acceptable for meeting the requirement, provided there was coverage of all topic areas~~

~~—identified under Section 1 (g) of this criteria.~~

In addition, the applicant must hold a bachelor's degree from an accredited college, or university, or have successfully passed collegiate subject matter totaling 30 semester credit hours from the following courses.

- *English Composition;*
- *Principles of Economics, (Micro or Macro);*
- *Finance*
- *Algebra, geometry, or higher mathematics*
- *Statistics*
- *Introduction to Computers, word processing/Spreadsheets and Business Law*
- *Business or real estate law*
- *Elective courses in accounting, geography, ag-economics, business management, or real estate.*

~~(a) A classroom hour is defined as fifty minutes out of each sixty minute segment.~~

~~(b) Credit toward the classroom hour requirement may only be granted where the length of the educational offering is at least fifteen hours, and the individual successfully completes an examination pertinent to that educational offering.~~

~~(c) Credit for the classroom hour requirement may be obtained from the following, provided they are both recognized by the Board and Licensed by the State Board of Private Career Education under Act 906 or exempt under the same:~~

- ~~(i) Colleges or Universities~~
- ~~(ii) Community, Junior or Technical Colleges~~
- ~~(iii) Real Estate Appraisal or Real Estate Related Organizations~~
- ~~(iv) State or Federal Agencies or Commissions~~
- ~~(v) Proprietary Schools~~
- ~~(vi) Other Providers approved by the State Appraiser Licensing and Certification Board~~

~~(d) Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses.~~

~~(a)(e) There is no time limit regarding when qualifying education credit must have been obtained. except as noted in Section V (B-1)~~

~~(f) The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted by the course provider prior to July 1, 1990, and provided further that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.~~

(b)(g) Qualifying education will only be credited for pre-approved course offerings whose content follows the AQB required course curriculum as set forth in these rules by addendum for each respective credential.
~~Various appraisal courses may be credited toward the one hundred sixty five classroom hour education requirement. Applicants may be required to demonstrate that their education involved coverage of all topics listed below~~ *in Section I (N)(1).*

- | | |
|---|--|
| (i) Influences on Real Estate Value | (x) Sales Comparison Approach |
| (ii) Legal Considerations in Appraisal | (xi) Site Approach |
| (iii) Types of Value | (xii) Cost Approach |
| (iv) Economic Principles | (xiii) Income Approach |

(v) Real Estate Markets and Analysis	Gross Rent Multiplier Analysis
(vi) Valuation Process	Estimation of Income and Expenses
(vii) Property Description	Operating Expense Ratios
(viii) Highest and Best Use Analysis	Capitalization
(ix) Appraisal Statistical Concepts	(xiv) Valuation of Partial Interests
	(xv) Appraisal Standards and Ethics

C. Experience (Prerequisite to sit for the examination)

1. The applicant for certification as a State Certified General appraiser shall demonstrate the equivalent of 3,000 hours of appraisal experience obtained during no fewer than 30 months, (2 ½ years) of a nature that is satisfactory to the Arkansas Appraiser Licensing and Certification Board. The applicant, for experience credit, must have accumulated a total of three thousand hours of appraisal experience of which at least one thousand five hundred hours (1,500) must be in non-residential appraisal work. Residential is defined as one to four residential units. The experience of the applicant must be of a type and nature sufficient to convince the Board of a demonstrated And proven capability of the applicant to adequately perform assignments of a type permitted by licensure. The initial verification for experience credit claimed by an applicant shall be on forms prescribed by the Board. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation of the amount of experience claimed, the application of any applicant who has not been previously licensed before accepting the amount of experience claimed by the applicant as satisfying the experience prerequisite for certification. On reviewing an applicant's work product, only appraisal reports reflecting all three approaches to value and reported in a self-contained or summary format will be acceptable.
2. Acceptable experience may include a limited number of hours related to necessary and fundamental tasks, such as records research, measurements and certain aspects of property inspections. But to be satisfactory, the experience of the applicant must clearly demonstrate a progression in exposure, charge, responsibility and successful performance of those comprehensive tasks related to real property appraisal practice, to include, but not limited to appraisal development and reporting, and should involve all aspects of the valuation process.
3. The burden of proving the amount and validity of experience claimed is entirely the responsibility of the applicant. As a minimum, the applicant must be prepared to substantiate, on request by the Board, the experience claimed with a true copy of appraisal assignment reports, work files to support the nature or the experience claims, and true copies of time records or calendars which support actual work time associated with the assignments.
4. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal experience which includes, but is not limited to, the following:

(a) Fee and staff appraisal	(e) Real estate counseling
(b) Ad valorem tax appraisal	(f) Highest and best use analysis
(c) Technical Review appraisal	(g) Feasibility analysis/study
(d) Appraisal analysis	(h) Condemnation appraisal
5. Credit for experience will only be granted for the execution of assignments USPAP compliant after January 30, 1989 in any of the various areas which required the use of the appraisal process. This applies to appraisals as well as other areas of acceptable experience.
- ~~6. Ad valorem tax appraisers/appraisals may be awarded experience credit as evidenced by a timed log of specific appraisal tasks performed and by demonstrating, in advance of taking the exam that he or she has effectively used similar appraisal process techniques as do other appraisers to value properties.~~
- 6.7. Appraisal Reviews may be awarded experience credit when the appraiser performs technical review(s) of appraisals prepared by either employees, associates or others, provided the appraisal report was not signed by the

review appraiser. Appraisal review credit should only be awarded when reviews are in compliance with USPAP Standard 3.

7. Appraisals made without the benefit of a client or under the guidance of Board approved practicum based courses shall not constitute more than 25% of the total required hours of experience.

Credit toward the certification prerequisite may be awarded for hours of certified general appraisal experience for other types of real property not listed. The Board will on an individual basis, determine the amount of credit to be awarded for such appraisals based on the information provided by the applicant.

Section VI - Pre-Qualifying Criteria for State Registered Appraiser

In order to qualify as a State Registered Appraiser, an applicant must complete an application and provide in addition :

- (1) Evidence of one's work experience and scope of practice as an appraiser and/or as a trainee working under the supervision of another fee appraiser.
- (2) A signed affidavit, (as prescribed by the Board), attesting to having read and an understanding of the current edition of the Uniform Standards of Professional Appraisal Practice, the applicable State Laws and the Rules and Regulations governing appraisal practice in Arkansas.

Section VII - Non-Resident Registration and/or Licensing: Reciprocity

A non-resident appraiser planning to develop an appraisal assignment in Arkansas for a federally related transaction must first apply for a state license and/or certification. In the case of a non-federally related transaction, the appraiser shall apply to be registered, licensed, or certified in advance of initiating the appraisal assignment as a non-resident appraiser. Only non-resident licensed or certified appraisers may apply for Reciprocity or a Temporary Practice Permit.

Non-Resident appraisers applying for state registered appraiser status shall, in addition to meeting the same requirements and utilizing the same forms as those required for Arkansas residents, include a notarized Consent For Service of Legal Process affidavit.

Section VIII - Nonresident Licensure & Certification via Temporary Permit or Reciprocity

A. Temporary Licensure or Certification may be obtained by nonresidents of this State through recognition of another state's program of licensing and certification in accordance with A.C.A. 17-14-306. Temporary Licensure or Certification may be accomplished by submitting an application on forms prescribed by the Board for temporary Licensing or Certification. These forms shall be signed before a notary public and shall include an irrevocable consent that service of process upon him or her may be made by delivery of the process to the Secretary of State if, in an action against the applicant in a court of this State arising out of the applicant's activities as a State Licensed appraiser or State Certified appraiser, the plaintiff cannot effect personal service upon the applicant. These forms shall be submitted to the Board along with the required fee.

In an effort to expedite the processing of a Temporary Practice permit, these forms may be obtained from the Board's web site or from the web site of the Association of Appraiser Regulatory Officials.

The Board may issue a temporary nonresident license or certificate to an individual who is licensed or certified in his/her state of domicile, upon receipt of the required forms and provided further that the Board is furnished a letter from the licensing and certification authority of the applicant's state of domicile, that his/her license or certificate is in good standing. In lieu of a home state Letter of Good Standing, the Board may accept the applicant's licensing history as found on the Appraisal Subcommittee's National Registry of licensed appraisers.

- B. The term of a temporary nonresident license or certification shall extend for the duration of the particular appraisal assignment or service being performed but in any case shall not extend for more than six (6) months from the date of the initial date of issuance of the temporary nonresident license or certification. Court testimony following the completion of an assignment performed by a nonresident appraiser holding a temporary nonresident license or certificate shall not require an extension or issuance of a temporary nonresident license or certificate. Appraisers holding a valid Temporary Practice Permit may, upon making written request to the Board, be granted an extension of no more than six months from the permit's date of expiration.
- C. These provisions shall not preclude a person who is a nonresident of this State from obtaining a permanent license or certificate by reciprocity or by satisfying all prerequisite requirements as if they were a resident of the State as required in these regulations, and provided further that the nonresident applicant executes an irrevocable consent that service of process upon him or her may be made by delivery of the process to the Secretary of State if, in an action against the applicant in a court of this State arising out of the applicant's activities as a State Licensed appraiser or State Certified appraiser, the plaintiff cannot effect personal service upon the applicant. The Board may request, for review, samples of work products prior to awarding a reciprocal license or certification.
- D. The term of a non-resident license or certificate holder shall be for no more than twelve months and renewal may be accomplished by submitting evidence of the completion of 14 hours of continuing education plus a Letter of Good Standing from resident's state appraisal agency and the appropriate fees as may be in effect.
- E. Non-Resident licensed and certified appraisers may seek resident status in Arkansas upon providing the Board with a completed application and a Letter of Good Standing from their resident State Agency. The Arkansas Appraiser Licensing & Certification Board may request, for review, samples of work products prior to the awarding of resident standing. Appraisers desiring to transfer to Arkansas from another jurisdiction will not be required to retake the examination.

Section IX - Licensure Expiration, Renewal, Upgrade, and Inactive Status

- A. Each license or certificate issued and each license or certificate renewal shall expire on June 30th each year following the date of issuance. State registered appraisers' certificates of registration will expire on December 31 of each calendar year. The expiration date of a license or certificate shall appear on the pocket card accompanying each license or certificate. No other notice of this expiration need be given to its holder except as provided in the requirements for continuing education.
- B. Each application for renewal of a registration, license or certificate shall be accompanied by evidence on forms prescribed by the Board of the applicant having completed the continuing education requirement for renewal as prescribed in these regulations. Each application for renewal shall also be accompanied by an appropriate fee. The Board may mail to each licensee or certificate holder, at least sixty (60) days prior to the expiration date of each renewal year, a notice of the expiration and application for renewal of the registration, license or certificate to the licensee's or certificate holders address on file with the Board. The Board may issue a new registration, license or certificate for each renewal application only after including proof of completion of the continuing education requirements pursuant to these regulations and only after receipt of the appropriate fee. Delinquent renewal applications must be accompanied by a delinquent fee of fifty dollars (\$50) per month or partial month elapsed since the expiration date. Any registrant, licensee or certificate holder who fails to complete continuing education requirements will not be eligible for registration, license or certificate renewal.
- C. Failure of a registrant, licensee or certificate holder to receive the notice and application to renew from the Board shall not excuse the registrant, licensee or certificate holder from the requirements for renewal contained in these regulations. Any registrant, licensee or certificate holder who fails to renew within twelve (12) months of the expiration of their registration, license or certificate must re-apply and where appropriate, take and pass an examination equivalent that required for pre-licensing as designated

by the Board in order to show current knowledge of real property appraisal practices, techniques and procedures before the license or certificate may be renewed.

In regards to the foregoing B. & C., Unless notice of intent to place a license/certification on inactive status or intent to not renew (including State Registered) is received prior to expiration, the monthly penalties will continue for a maximum of twelve (12) months or until notice is received. After a one (1) year hiatus, the State Registered appraiser will be required to submit a new application, satisfy any deficiencies that may have been outstanding at the time registrant failed to renew or notify the Board, plus a maximum penalty of \$600 .

D. A licensed or certified Arkansas appraiser who wishes to temporarily retire from appraisal practice shall notify the Board in writing at least 30 days before expiration of a current license or certification. A state registered appraiser will not be permitted to place their registration on inactive or retired status.

E. **INACTIVE STATUS** may be initiated by the payment of \$100 fee on or before June 30th and may NOT be continued for more than six (6) years. The failure to remit the applicable annual renewal fee of \$100 on or before June 30th will result in a lapsed license. To reinstate an appraiser's lapsed inactive license, the monthly delinquent fee will be applicable for a maximum of twelve (12) months. The appraiser who elects Inactive Status must, within six (6) years from the date the active license or certification expired, notify the Board of his/her desire to resume active practice. Otherwise, the license becomes null and void.

An appraiser who wishes re-instatement after an inactive period shall make application to the Arkansas Appraiser Licensing and Certification Board. The application will be reviewed by the Board and if the applicant for re-instatement has satisfied all requirements, the Board shall re-activate the applicants license or certificate.

The application for re-instatement shall be accompanied with sufficient documentation that the appraiser has taken, prior to reinstatement, a minimum of fourteen (14) hours for each year of inactivity (the equivalent that would have been required if the license was on active status) in refresher courses PLUS any continuing education hours which were delinquent before the Inactive Status. ~~in the preceding year before re-instatement, a minimum of fourteen (14) clock hours in~~
~~refresher courses PLUS any continuing education units which were delinquent before the Inactive Status.~~ Also, any appraiser who has been inactive for more than three (3) years must show evidence of having taken the most recent 7 hour National USPAP Update course during the preceding year in addition to other continuing education requirements.

F. An **Inactive/Retired Status** is established for individual appraisers who wish to retire, with no plans to resume appraising in the future. This status is available, only, to resident appraisers who are currently licensed/certified in Arkansas, are at least fifty-five (55) years old (or retired due to health reasons) and are retired from active appraisal practice.

The retired appraiser will retain their original license or certification number assigned by the Board. If the appraiser should decide to resume active practice, he/she must comply with all requirements involving re-instatement, continuing education, refresher courses, time limitations, etc. in effect for **INACTIVE STATUS**.

Appraisers in a Retired Status may not engage in real estate appraisal activities and under no circumstances shall he/she sign an appraisal report as the appraiser or review appraiser. Retirees under this provision may NOT be appointed to one of the positions on the Board reserved for practicing appraisers.

The Inactive/Retired appraiser shall pay an annual file maintenance fee of \$25 on or before June 30 or forfeit their retired status. (The annual fee includes a subscription to The APPRAISER.)

Section X - Continuing Education

- A. The purpose of continuing education is to insure that the appraiser participates in a program that maintains and increases his/her skill, knowledge and competency in real estate appraising.
- B. Each licensee or certificate holder shall have completed during the two year period, prior to renewal of their license or certification, in an even numbered year, (i.e. 2006, 2008, etc.) a minimum of twenty-eight (28) hours of real estate appraisal instruction approved for continuing education credit by the Board. Failure to provide the Board with evidence of hours completed shall constitute grounds for not renewing a license or certificate. Individuals who take advantage of out of state continuing education seminars may request consideration for credit on an individual basis. They shall submit a request on forms provided by the Board along with documents outlining the course content and evidence of having attended the course.
- C. Each state registered appraiser shall have completed a fifteen (15) hour National USPAP or an AQB equivalent course taught by an AQB certified instructor with exam prior to their first annual renewal. An appraiser who becomes initially registered after July 1 of any year will have until December 31 of the following year to complete the required USPAP course.
- D. In subsequent years, the state registered appraiser shall as a condition for renewal, have completed fourteen (14) hours per year of Board approved continuing education. State Registered appraisers who accumulate more than 14 hours of continuing education during a renewal period are permitted to carry over no more than 14 hours into the next renewal cycle provided all other continuing education renewal requirements have been met.

For purposes of these regulations:

- (1) A classroom hour is defined as fifty minutes out of each sixty minute segment.
- (2) Credit toward the classroom hour requirement may be granted only where the length of the educational offering is at least two (2) hours.
- (3) Credit for the classroom hour requirement may be obtained from the following:
 - (a) Colleges or Universities
 - (b) Community, Junior or Technical Colleges
 - (c) Real Estate Appraisal or Real Estate Related Organizations
 - (d) State or Federal Agencies or Commissions
 - (e) Proprietary/Private Career Schools
 - (f) Other providers approved by the State Appraiser Licensing and Certification Board
- (4) Credit may be granted for educational offerings which are consistent with the purpose of continuing education stated above and cover real estate related appraisal topics such as those listed below.
 - (a) Ad Valorem Taxation
 - (b) Arbitration, dispute resolution
 - (c) Courses related to practice of real estate appraisal or consulting
 - (d) Development Cost Estimating
 - (e) Ethics and standards of professional practice USPAP
 - (f) Land use planning, zoning ~~and taxation~~
 - (g) Management, leasing, ~~brokerage~~, timesharing
 - (h) Property development, partial interest
 - ~~(i) Real estate appraisal~~
 - (i) (j) Real estate law, easements and legal interests
 - (j) (k) Real estate litigation, damages and condemnation
 - (k) (l) Real estate financing and investment
 - (l) (m) Real estate appraisal related computer applications

~~(m) (n)~~ Real estate securities and syndication

~~(n) (o)~~ Real property exchange *Practical interpretation*

- E. An educational offering taught by an AQB *certified* instructor, of at least seven (7) hours covering the *National Uniform Standards of Professional Appraisal Practice or its equivalent* must be attended by each State Registered, Licensed or Certified appraiser during a two year continuing education renewal cycle. ~~Commencing January 1, 2005, Licensed and Certified~~ appraisers may no longer take the 15 hour course in lieu of the 7 hour Update. ~~course as per AQB directive dated March 29, 2004.~~
- F. Continuing education credit may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities which are determined to be equivalent to obtaining continuing education. *No more than 50% of an individual's continuing education may be credited to these activities and credit for instructing any given course/seminar can only be awarded once during a continuing education cycle.*
- G. *In the event a credential is issued for a period of less than 185 days, there will not be continuing education required for that partial year. However, a licensed or certification issued for more than 185 days will be required to accumulate the equivalent of 14 hours per year prior to renewal.*

Section XI – Supervisory Guidelines and Responsibilities

These guidelines set forth the Arkansas Appraiser Licensing Board's Regulations regarding the supervisor/trainee relationship at the State Registered appraiser level.

The State Registered appraiser is required by Arkansas law and/or Administrative Rule to be supervised by a licensed or certified appraiser when the appraisal assignment is for federally related transactions. If the assignment is a non-federally related transaction, a supervisor is not required.

- A. The supervising * appraiser shall at all times be *in good standing with the Appraiser Licensing and Certification Board and be* responsible for the training and direct supervision of the trainee by:

*(*Subsequent to January 1, 2008, a supervising appraiser must be state certified (residential or general) in order to supervise a state registered appraiser/trainee.)*

1. The supervising appraiser shall personally inspect, with the trainee/State Registered appraiser, each subject property and comparable sales until the Supervisor determines that the appraiser is competent to perform such appraisals;
2. The supervisor shall accept responsibility for the appraisal report by signing and certifying that the report is in compliance with the Uniform Standards of Professional Appraisal Practice;
3. The supervisor shall review the trainee's appraisal reports and *periodically* sign *and date* the appraisal log maintained by the trainee. A trainee shall maintain a log for each supervising appraiser;
4. A supervising appraiser shall have been certified ~~or licensed~~ by the Board for a period of at least one year prior to assuming supervision of a trainee and must be competent to perform the property type of appraisals being supervised;

5. A certified ~~or licensed~~ appraiser who is otherwise qualified for supervising trainees who has been disciplined by the Board could be subject to one or more of the following according to the nature and severity of the violation;
 - (a) Prohibited from supervising a trainee;
 - (b) A restriction placed on the number of trainees that he/she may supervise; and/or;
 - (c) Be required to take additional courses approved by the Board before being permitted to supervise a trainee.
6. The supervising appraiser shall be limited to supervising no more than three (3) registered "appraisers-in-training" at any one time;

Section XII - Fees And Payment Of Fees

A. Types of Fees

The following fees shall be paid for pre-licensure and pre-certification applications and for the issuance of original and renewal licenses and certificates and for other purposes and activities of the Board:

1. Application Fee	\$125.00
2. State Licensed, Certified Residential, and Certified General Appraiser	\$300.00 (Annual)*
3. Temporary Non-Resident Licensed, Certified Residential, and Certified General Appraiser	\$150.00 (6 Months)
4. Non-Resident Licensed, Certified Residential, and Certified General Appraiser	\$300.00 (Annual)*
5. Delinquent Fees (<i>All Classifications</i>)	\$ 50.00 (Monthly)
6. Reissuance Fees (<i>Upgrade, Replacement of Lost, Stolen, or Destroyed Licenses or Certificates</i>)	\$ 25.00
7. Pre-License/Certification Course or Seminar Approval Fee	\$ 50.00 (Per Offering)
8. Continuing Education Course or Seminar Approval Fee	\$ 50.00 (Per Offering)
9. Photocopies of Records of the Board	\$.25 (Per Page)
10. Federal National Registry Fee (<i>Set By Appraisal Subcommittee</i>)	\$ 25.00 (Annual)
11. Testing Service Fee (<i>Paid Directly To The Service</i>)	\$100.00 (Maximum)
12. Certified Copy of Records of the Board	\$ 1.00 (Per Page)
13. Newsletter Subscription	\$ 10.00
14. Application Fee (State Registered Appraiser)	\$ 50.00*
15. Renewal Fee (State Registered Appraiser)	\$ 50.00 *

*Pursuant to A.C.A. 17-14-203(10), registration and licensing fees may be reviewed and adjusted annually by the Board as deemed necessary for its effective operation but shall in no way exceed \$300 annually.

B. Payment of Fees

All fees shall be paid in cash or by cashier's check, money order or personal check made payable to the Arkansas Appraiser Licensing and Certification Board except for the Testing Service Fee. This fee shall be payable by cashier's check or money order only and shall be payable directly to the testing service designated by the Board as its agent.

All fees are non-refundable except in special circumstances when a refund petition has been submitted to the Board and the Board consents to the request. No license or certification fee of any classification or any portion of a fee will be refunded should any certificate or license be surrendered, suspended or

revoked during the term for which the license or certificate is issued. The initial application fee is acceptable ~~payable once~~ for the first ~~two~~ three attempts at passing the examination. ~~with successive attempts requiring a new application fee.~~ Upon successful completion of the ~~appropriate~~ examination, the application fee will be applied toward the appropriate license or certification fee.

A State Registered Appraiser who successfully upgrades to State License or certification may credit part of their previously paid annual registration fees toward the applicable classifications' annual ~~or application~~ fees.

C. Delinquency Provision (Fees and Continuing Education)

Registered, Licensed or Certified appraisers who fail to pay their annual or biennial renewal fees or meet the required continuing education on or before the renewal deadline, shall be notified immediately that their registration, license or certificate has lapsed and they have thirty (30) days to become reinstated by payment of the appropriate fees and penalties and/or evidence of having met the CE requirements.

The notice shall also advise where applicable that:

- (1) No FRT appraisal work may be performed during the interim;
- (2) Their names will be removed from the National Registry; and,
- (3) The appraisal community be apprised of their loss of registered or licensed status.
- (4) Any and all appraisal experience claimed by a trainee during a period(s) without being State Registered will not be considered toward meeting the minimum hourly requirements.

If an appraiser has not made application for reinstatement within sixty days of termination, a demand will then be made on the certificate holder to surrender their seal or stamp, pocket card, and wall certificate, to the Board office. Previously Licensed and certified appraisers who fail to apply for reinstatement within the grace period may apply within twelve months of expiration without retaking the examination provided they submit the appropriate fees and penalties and satisfy any additional requirements that may be assessed by the Board.

APPENDIX (See Attached)

Effective January 1, 2008, the following core curriculum, as established by the Appraisal Qualification Board, will be utilized in the evaluation and approval process by the Board for all qualifying education.

Individual courses submitted for pre-approval by, renewal or credit will be evaluated on the major headings and subtopics outlined in the following curriculum.

Generally, qualifying education will be evaluated and approved, by the Board, on a modular (hourly) basis provided it is consistent with the core curriculum. In those rare and unusual cases where specific property type education does not, by title, track with the core curriculum the Board reserves the right to evaluate the education on an integrated subtopic basis (hourly breakdown of subject matter).

2008 AOB CRITERIA
CORE CURRICULUM

BASIC APPRAISAL PRINCIPLES (30 HOURS)

- A. Real Property Concepts and Characteristics
- B. Legal Consideration
- C. Influences on Real Estate Values
- D. Types of Value
- E. Economic Principles
- F. Overview of Real Estate Markets and Analysis
- G. Ethics and How They Apply in Appraisal Theory

BASIC APPRAISAL PROCEDURES (30 HOURS)

- A. Overview of Approaches to Value
- B. Valuation Procedures
- C. Property Description
- D. Residential Applications

USPAP (15 HOURS)

- A. Preamble and Ethics Rules
- B. Standard 1
- C. Standard 2
- D. Standards 3 to 10
- E. Statements and Advisory Opinions

RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE (15 HOURS)

- A. Residential Markets and Analysis
- B. Highest and Best Use

RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH (15 HOURS)

A. Site Valuation

B. Cost Approach

RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES (30 HOURS)

- A. Valuation Principles & Procedures – Sales Comparison Approach
- B. Valuation Principles & Procedures – Income Approach
- C. Finance and Cash Equivalency
- D. Financial Calculator Introduction
- E. Identification, Derivation and Measurement of Adjustments
- F. Gross Rent Multipliers

- G. Partial Interests
- H. Reconciliation
- I. Case Studies and Applications

RESIDENTIAL REPORT WRITING AND CASE STUDIES (15 HOURS)

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Form Reports
- D. Report Options and USPAP Compliance
- E. Case Studies

STATISTICS, MODELING AND FINANCE (15 HOURS)

- A. Statistics

B. Valuation Models (AVM's and Mass Appraisal)

C. Real Estate Finance

**ADVANCED RESIDENTIAL APPLICATIONS AND
CASE STUDIES (15 HOURS)**

- A. Complex Property, Ownership and Market Conditions
- B. Deriving and Supporting Adjustments
- C. Residential Market Analysis
- D. Advanced Case Studies

**GENERAL APPRAISER MARKET ANALYSIS AND
HIGHEST AND BEST USE (30 HOURS)**

- A. Real Estate Markets and Analysis
- B. Highest and Best Use

**GENERAL APPRAISER INCOME APPROACH (60
HOURS)**

- A. Overview
- B. Compound Interest
- C. Lease Analysis
- D. Income Analysis
- E. Vacancy and Collection Loss
- F. Estimating Operating Expenses and Reserves
- G. Reconstructed Income and Expense Statement
- H. Stabilized Net Operating Income Estimate
- I. Direct Capitalization
- J. Discounted Cash Flow
- K. Yield Capitalization
- L. Partial Interests
- M. Case Studies

**GENERAL APPRAISER REPORT WRITING AND
CASE STUDIES (30 HOURS)**

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Report Options and USPAP Compliance
- D. Case Studies

**GENERAL APPRAISER SALES COMPARISON
APPROACH (30 HOURS)**

- A. Value Principles
- B. Procedures
- C. Identification and Measurement of Adjustments
- D. Reconciliation
- E. Case Studies

**GENERAL APPRAISER SITE VALUATION AND
COST APPROACH (30 HOURS)**

- A. Site Valuation
- B. Cost Approach